

WISCONSIN TECHNOLOGY ZONE PROGRAM

Wisconsin's Technology Zone Program is an exciting new economic development initiative that offers much-needed stimulus to the growth of businesses in Wisconsin's high-technology sectors.

Following is a brief overview of the initiative:

- Eight Technology Zones have been designated.
- Technology Zones are effective for 10 years.
- 5 million in income tax credits has been allocated to each Technology Zone.
- Tax credits will be made available to high-technology businesses locating or expanding in a designated Technology Zone.

Program Benefits

The Technology Zone program involves non-refundable, non-transferable tax credits which are applied against a business's Wisconsin corporate income tax. In the case of S-Corporations, LLCs and LLPs, the tax credits flow through to the shareholders in the same manner as corporate income and are applied against the individual shareholders' personal Wisconsin income tax liabilities. All tax credits have a carry-forward provision for up to 15 years.

Allocation of Tax Credits

The Department of Commerce will allocate Technology Zone tax credits on the basis of:

1. The applicants' projected capital expenditures;
2. The first-year wages paid to employees in newly-created positions (wages must be at least \$13/hour to earn Technology Zone tax credits);
3. The increase in real and personal property taxes paid by the designated Technology Zone business.

By statute, businesses have three consecutive years in which to earn their allocated tax credits. Credits will be released only after businesses have provided Commerce with documentation of their capital expenditures, job creation and property tax payments.

How to Apply

If you are interested in participating in the Technology Zone program, you should contact the local Technology Zone coordinator to discuss your project and the need for tax credits. The application process is as follows:

The business contacts the local Technology Zone coordinator, who can assist the business in submitting application materials to the Department of Commerce.

The local Technology Zone board will review the application and recommend an appropriate tax credit allocation to Commerce.

Commerce staff will review the application and the local recommendation before a final decision is made on designating the applicant as a Technology Zone business and setting the tax credit allocation level.

Commerce will annually verify information submitted by the business in support of its tax credit claims.

Commerce must certify businesses before they can claim Technology Zone tax credits. Tax credits are not available to businesses that relocate or displace current employees in order to participate in the program.

Additional information about Wisconsin's Technology Zone Program may be obtained by contacting the local Technology Zone coordinators listed at the right:



For general information about Wisconsin's Technology Zone program, contact **Todd Jensen** at 608/266-3074, tjensen@commerce.state.wi.us

TECHNOLOGY ZONE COORDINATORS

Capital Ideas Technology Zone

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SuperiorLife Technology Zone

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